

Forest Service Manti-La Sal National Forest CC Ton-hunsa.

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Supervisor's Office
599 West Price River Drive
Price, UT 84501
Phone # (435) 637-2817
Fax # (435) 637-4940

File Code: 2810

Date: January 9, 2003

Lowell Braxton Director Utah Division of Oil, Gas, and Mining 1594 West North Temple Suite 1210, P.O. Box 145801 Salt Lake City, UT 84114-5801

Dear Lowell:

We received a copy of the "Notice of Tentative Decision to Approve" issued by DOGM by letter dated December 9, 2002, in regard to the Levan Gypsum Mine operated by H. E. Davis Construction, Inc.

H.E. Davis Construction, Inc. has not submitted a revised Plan of Operations to the Forest Service addressing expansion of the mine on National Forest System lands as proposed in the LMO (Large Mining Operation) application submitted to your office. We have notified the operator (letter enclosed) that no expansion on National Forest System lands may begin until such time as a Plan of Operations has been approved in accordance with Federal Regulations 36 CFR 228A. We request that any approval issued by your office be issued contingent upon Federal authorization to occupy National Forest System lands.

Upon receipt of a revised Plan of Operations we will conduct an analysis of impacts associated with the proposed mining actions. Additionally, we will identify a minimum bond amount to ensure reclamation of National Forest System lands at that time. We will review the current bond held by the Forest Service and the recent bond submitted to the Division for the LMO to determine if our bonding needs are adequately covered. We intend to ensure the bonded amount is adequate to cover reclamation of operations while not double-bonding provided in the Memorandum of Understanding between the Utah Division of Oil, Gas and Mining and the USDA Forest Service, Region 4 and the USDI Bureau of Land Management, State of Utah Concerning Regulation of Minerals Mining and Reclamation, 1989.

We will coordinate with your office regarding plan review and bonding. If you have any questions, please contact Brian McClelland at 435-636-3588.

Sincerely,

ELAINE J. ZIEROTH

Forest Supervisor

Enclosure

cc: D-1

D-2/3, Tom Lloyd

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DIV. OF OIL, GAS & MINING





Forest Service Manti-La Sal National Forest Supervisor's Office 599 West Price River Drive Price, UT 84501 Phone # (435) 637-2817 Fax # (435) 637-4940

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Date: January 9, 2003

Tony Christofferson
Property/Environmental Manager
H.E. Davis Construction, Inc.
525 West Arrowhead Trail
Spanish Fork, UT 84639

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Dear Mr. Christofferson:

This letter is to advise you that even though DOGM (Utah Division of Oil, Gas and Mining) tentatively approved your Notice of Intent to Commence Large Mining Operations for expansion of the Levan Gypsum Mine on December 9, 2002, you are not authorized to expand mining operations on National Forest System lands until you have satisfied requirements of Federal Regulations 36 CFR 228A.

In order for us to proceed with a review of your mining proposal, several steps need to be a taken regarding the proposed expansion on National Forest System lands:

- A revised Plan of Operation must be submitted to the Manti-La Sal National Forest consistent with the requirements of 36 CFR 228A. Your current Plan of Operation dates back to 1993 when the mine was under the ownership of Steele-Dansie, and is no longer adequate to cover your proposed mining actions.
- As explained in Thomas Shore's letter of April 13, 2000 (copy enclosed), an environmental analysis needs to be conducted by the Forest Service upon receipt of a revised Plan of Operations. This would likely require 9 to 12-months for completion.
- Additional bonding as determined by the Forest Service may be required to cover existing and proposed operations on National Forest System lands. We will cooperate with the State of Utah to assure that you are not bonded twice for the same work. The current bond posted with the Forest Service is in the name of Geneva Rock and must be replaced by a bond in the name of H.E. Davis Construction, Inc.





If you have any questions regarding the Forest Service requirements or approved forms for Plans of Operations on National Forest System lands, please contact Brian McClelland at 435-636-3588.

Sincerely,

ELAINE J. ZIEROTH

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Forest Supervisor

Enclosure

cc:

Lowell Braxton, UDOGM

D-1

Tom Lloyd, D-2/3